

Auditing Procedures Report

Instructions and MuniCodes

*=Required Fields

Reset Form

Issued under Public Act 2 of 1968, as amended. (V1.06)

Unit Name* TOWNSHIP OF PARK	County* OTTAWA	Type* TOWNSHIP	MuniCode* 70-1-100
Opinion Date-Use Calendar* Aug 27, 2008	Audit Submitted-Use Calendar* Aug 29, 2008	Fiscal Year End Month* 03	Fiscal Year* 2008

If a local unit of government (authorities & commissions included) is operating within the boundaries of the audited entity and is NOT included in this or any other audit report, nor do they obtain a stand-alone audit, enclose the name(s), address(es), and a description(s) of the authority and/or commission.

Place a check next to each "Yes" or non-applicable question below. Questions left unmarked should be those you wish to answer "No."

<input checked="" type="checkbox"/> ?	1. Are all required component units/funds/agencies of the local unit included in the financial statements and/or disclosed in the reporting entity notes to the financial statements?
<input checked="" type="checkbox"/> ?	2. Does the local unit have a positive fund balance in all of its unreserved fund balances/unrestricted net assets?
<input type="checkbox"/> ?	3. Were the local unit's actual expenditures within the amounts authorized in the budget?
<input checked="" type="checkbox"/> ?	4. Is this unit in compliance with the Uniform Chart of Accounts issued by the Department of Treasury?
<input checked="" type="checkbox"/> ?	5. Did the local unit adopt a budget for all required funds?
<input checked="" type="checkbox"/> ?	6. Was a public hearing on the budget held in accordance with State statute?
<input checked="" type="checkbox"/> ?	7. Is the local unit in compliance with the Revised Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, and other guidance as issued by the Local Audit and Finance Division?
<input checked="" type="checkbox"/> ?	8. Has the local unit distributed tax revenues, that were collected for another taxing unit, timely as required by the general property tax act?
<input checked="" type="checkbox"/> ?	9. Do all deposits/investments comply with statutory requirements including the adoption of an investment policy?
<input checked="" type="checkbox"/> ?	10. Is the local unit free of illegal or unauthorized expenditures that came to your attention as defined in the Bulletin for Audits of Local Units of Government in Michigan, as revised (see Appendix H of Bulletin.)
<input checked="" type="checkbox"/> ?	11. Is the unit free of any indications of fraud or illegal acts that came to your attention during the course of audit that have not been previously communicated to the Local Audit and Finance Division? (If there is such activity, please submit a separate report under separate cover.)
<input type="checkbox"/> ?	12. Is the local unit free of repeated reported deficiencies from previous years?
<input checked="" type="checkbox"/> ?	13. Is the audit opinion unqualified?
	14. If not, what type of opinion is it? NA
<input checked="" type="checkbox"/> ?	15. Has the local unit complied with GASB 34 and other generally accepted accounting principles (GAAP)?
<input type="checkbox"/> ?	16. Has the board or council approved all disbursements prior to payment as required by charter or statute?
<input checked="" type="checkbox"/> ?	17. To your knowledge, were the bank reconciliations that were reviewed performed timely?
<input checked="" type="checkbox"/> ?	18. Are there reported deficiencies?
<input checked="" type="checkbox"/> ?	19. If so, was it attached to the audit report?

General Fund Revenue:	<input type="checkbox"/> ? \$ 4,502,513.00
General Fund Expenditure:	<input type="checkbox"/> ? \$ 4,061,344.00
Major Fund Deficit Amount:	\$ 0.00

General Fund Balance:	<input type="checkbox"/> ? \$ 6,108,540.00
Governmental Activities Long-Term Debt (see instructions):	<input type="checkbox"/> ? \$ 0.00

We affirm that we are certified public accountants (CPA) licensed to practice in Michigan. We further affirm the above responses have been disclosed in the financial statements, including the notes, or in the Management Letter (reported deviations).

CPA (First Name)* JAMES	Last Name* ZWIERS	Ten Digit License Number* 1101009267		
CPA Street Address* 675 E. 16TH ST., SUITE 100	City* HOLLAND	State* MI	Zip Code* 49423	Telephone* +1 (616) 392-8534
CPA Firm Name* FERRIS, BUSSCHER & ZWIE	Unit's Street Address* 52 - 152ND AVE.	Unit's City* HOLLAND	Unit's Zip* 49424	

TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
FINANCIAL STATEMENTS
MARCH 31, 2008

Independent Auditors' Report

August 27, 2008

Township Board
Township of Park
Ottawa County, Michigan

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Township of Park, as of and for the year ended March 31, 2008, which collectively comprise the Township's basic financial statements as listed in the index. These financial statements are the responsibility of the management of the Township of Park. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the Township of Park as of March 31, 2008, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The budgetary comparison information on pages 22 through 24, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Township of Park has not presented a management's discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Ferris, Busscher & Zwiars

FERRIS, BUSSCHER & ZWIERS, P.C.
Certified Public Accountants
Holland, Michigan

Basic Financial Statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF NET ASSETS
MARCH 31, 2008**

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
Assets			
Cash	\$ 7,142,727	\$ 252,216	\$ 7,394,943
Investments	902,253	-	902,253
Receivables, net	801,717	334,374	1,136,091
Prepaid insurance	8,273	-	8,273
Capital assets:			
Land	2,229,554	-	2,229,554
Construction in progress	147,399	-	147,399
Other capital assets, net	6,790,545	6,176,422	12,966,967
Total assets	18,022,468	6,763,012	24,785,480
Liabilities			
Accounts payable and accrued expenses	189,669	80,832	270,501
Internal balances	(451,051)	451,051	-
Total liabilities	(261,382)	531,883	270,501
Net Assets			
Invested in capital assets	9,167,498	6,176,422	15,343,920
Restricted:			
Recreation	1,412,909	-	1,412,909
Public safety	777,661	-	777,661
Unrestricted	6,925,782	54,707	6,980,489
Total net assets	<u>\$ 18,283,850</u>	<u>\$ 6,231,129</u>	<u>\$ 24,514,979</u>

See notes to financial statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2008**

		<u>Program Revenues</u>	
		Charges for	Operating
	Expenses	Services	Grants and
			Contributions
Functions / Programs			
Primary Government			
Governmental Activities			
General government	\$ 1,312,399	\$ 62,202	\$ -
Public safety	1,290,392	140,973	-
Public works	510,058	-	136,249
Recreation	567,620	99,108	-
Total governmental activities	3,680,469	302,283	136,249
Business-type Activities			
Water	1,118,865	1,031,845	-
Total primary government	<u>\$ 4,799,334</u>	<u>\$ 1,334,128</u>	<u>\$ 136,249</u>
General Revenues			
Taxes:			
Property taxes, levied for general purposes			
Property taxes, levied for public safety			
Property taxes, levied for recreation			
State shared revenues			
Unrestricted investment income			
Miscellaneous			
Total general revenues			
Change in net assets			
Net assets - April 1			
Net assets - March 31			

Capital Grants and Contributions	Net (Expense) Revenue Governmental Activities	Business-type Activities	Total
\$ -	\$ (1,250,197)	\$ -	\$ (1,250,197)
-	(1,149,419)	-	(1,149,419)
57,247	(316,562)	-	(316,562)
109,707	(358,805)	-	(358,805)
<u>166,954</u>	<u>(3,074,983)</u>	<u>-</u>	<u>(3,074,983)</u>
 <u>64,620</u>	 <u>-</u>	 <u>(22,400)</u>	 <u>(22,400)</u>
<u>\$ 231,574</u>	<u>(3,074,983)</u>	<u>(22,400)</u>	<u>(3,097,383)</u>

825,796	-	825,796
614,685	-	614,685
869,962	-	869,962
1,221,634	-	1,221,634
514,003	21,206	535,209
47,353	-	47,353
<u>4,093,433</u>	<u>21,206</u>	<u>4,114,639</u>
 1,018,450	 (1,194)	 1,017,256
<u>17,265,400</u>	<u>6,232,323</u>	<u>23,497,723</u>
<u>\$ 18,283,850</u>	<u>\$ 6,231,129</u>	<u>\$ 24,514,979</u>

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
BALANCE SHEET
GOVERNMENTAL FUNDS
MARCH 31, 2008**

	General	Sewer Distribution	Township Improvements	Total Governmental Funds
Assets				
Cash	\$ 5,539,390	\$ 830,373	\$ 765,229	\$ 7,134,992
Investments	401,376	-	500,877	902,253
Accounts receivable	210,340	-	-	210,340
Assessment receivable	2,603	353,955	-	356,558
Interest receivable	43,414	-	2,692	46,106
Prepaid insurance	8,273	-	-	8,273
Due from other funds	94,966	457,526	-	552,492
Total assets	<u>\$ 6,300,362</u>	<u>\$ 1,641,854</u>	<u>\$ 1,268,798</u>	<u>\$ 9,211,014</u>
Liabilities				
Accounts payable	\$ 124,302	\$ 185	\$ 276	\$ 124,763
Deferred revenue	17,737	353,955	-	371,692
Accrued vacation	49,783	-	-	49,783
Total liabilities	<u>191,822</u>	<u>354,140</u>	<u>276</u>	<u>546,238</u>
Fund Balances				
Reserved	2,190,570	-	-	2,190,570
Unreserved	3,917,970	1,287,714	1,268,522	6,474,206
Total fund balances	<u>6,108,540</u>	<u>1,287,714</u>	<u>1,268,522</u>	<u>8,664,776</u>
Total liabilities and fund balances	<u>\$ 6,300,362</u>	<u>\$ 1,641,854</u>	<u>\$ 1,268,798</u>	<u>\$ 9,211,014</u>

See notes to financial statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET ASSETS OF
GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET ASSETS
MARCH 31, 2008**

Fund balances - total governmental funds	\$ 8,664,776
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Add - capital assets	12,387,784
Deduct - accumulated depreciation	(3,220,286)

Tax, special assessment, or other revenues unearned or unavailable in < 60 days for expenditures reported in fund statements.

Add - receivables	95,018
Add - deferred revenue	<u>356,558</u>

Net assets of governmental activities	<u>\$ 18,283,850</u>
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**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED MARCH 31, 2008**

	General	Sewer Distribution	Township Improvements	Total Governmental Funds
Revenues				
Taxes and special assessments	\$ 2,448,768	\$ 114,354	\$ -	\$ 2,563,122
Licenses and permits	120,614	-	-	120,614
State shared revenues	1,220,949	-	-	1,220,949
Charges for services	38,996	-	-	38,996
Recreation	99,108	-	-	99,108
Interest	374,193	56,631	83,179	514,003
Reimbursements	12,575	-	-	12,575
Donations	109,707	-	-	109,707
Miscellaneous	77,603	-	-	77,603
Total revenues	<u>4,502,513</u>	<u>170,985</u>	<u>83,179</u>	<u>4,756,677</u>
Expenditures				
General government	1,472,142	-	-	1,472,142
Public safety	1,062,924	-	-	1,062,924
Public works	470,980	2,911	-	473,891
Recreation	283,964	-	-	283,964
Capital outlay	771,334	43,892	488,768	1,303,994
Total expenditures	<u>4,061,344</u>	<u>46,803</u>	<u>488,768</u>	<u>4,596,915</u>
Excess (deficiency) of revenues over (under) expenditures	441,169	124,182	(405,589)	159,762
Other Financing Sources (Uses)				
Transfers in	68,900	-	-	68,900
Transfers out	-	(68,900)	-	(68,900)
Total other financing sources (uses)	<u>68,900</u>	<u>(68,900)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	510,069	55,282	(405,589)	159,762
Fund balances - April 1	<u>5,598,471</u>	<u>1,232,432</u>	<u>1,674,111</u>	<u>8,505,014</u>
Fund balances - March 31	<u>\$ 6,108,540</u>	<u>\$ 1,287,714</u>	<u>\$ 1,268,522</u>	<u>\$ 8,664,776</u>

See notes to financial statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
MARCH 31, 2008**

Net change in fund balances - total governmental funds \$ 159,762

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Add - capital outlay	1,303,994
Deduct - depreciation expense	(386,806)

Tax, special assessment, or other revenues unearned or unavailable in < 60 days for expenditures reported in fund statements.	<u>(58,500)</u>
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Change in net assets of governmental activities	<u>\$ 1,018,450</u>
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PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF NET ASSETS
PROPRIETARY FUND
MARCH 31, 2008

	Enterprise Fund
	Water
Assets	
Current assets:	
Cash	\$ 249,645
Accounts receivable	123,315
Assessment receivable	211,059
Due from other funds	<u>2,571</u>
Total current assets	586,590
 Other capital assets, net	 <u>6,176,422</u>
Total assets	6,763,012
 Liabilities	
Current liabilities:	
Accounts payable	80,832
Due to other funds	<u>451,051</u>
Total liabilities	<u>531,883</u>
 Net Assets	
Invested in capital assets	6,176,422
Unrestricted	<u>54,707</u>
Total net assets	<u><u>\$ 6,231,129</u></u>

See notes to financial statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
PROPRIETARY FUND
YEAR ENDED MARCH 31, 2008**

	Enterprise Fund
	Water
Operating Revenues	
Water billings	\$ 983,245
Water connection charges	48,540
Miscellaneous	<u>60</u>
Total operating revenues	1,031,845
Operating Expenses	
Purchase of water	562,084
Hydrants	33,465
Utilities	4,885
Water connections, repairs and maintenance	56,821
Operating fees	182,873
Supplies	5,335
Professional services	14,845
Depreciation	248,704
Miscellaneous	<u>9,853</u>
Total operating expenses	1,118,865
Operating loss	(87,020)
Nonoperating Revenues	
Interest income	<u>21,206</u>
Loss before contributions	(65,814)
Capital Contributions	<u>64,620</u>
Change in net assets	(1,194)
Net assets - April 1	<u>6,232,323</u>
Net assets - March 31	<u><u>\$ 6,231,129</u></u>

See notes to financial statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED MARCH 31, 2008**

	Enterprise Fund
	Water
Cash Flows from Operating Activities	
Receipts from customers	\$ 1,010,705
Payments to suppliers	<u>(900,184)</u>
Net cash provided by operating activities	<u>110,521</u>
Cash Flows from Capital and Related Financing Activities	
Water system construction	(164,932)
Contributed capital	<u>64,620</u>
Net cash used by investing activities	<u>(100,312)</u>
Cash Flows from Investing Activities	
Interest	<u>21,206</u>
Net increase in cash	31,415
Cash balance - April 1	<u>218,230</u>
Cash balance - March 31	<u><u>\$ 249,645</u></u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating loss	\$ (87,020)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	248,704
Change in assets and liabilities:	
Receivables	(21,140)
Accounts and other payables	<u>(30,023)</u>
Net cash provided by operating activities	<u><u>\$ 110,521</u></u>

See notes to financial statements

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUND
MARCH 31, 2008**

	Property Tax Collection
Assets	
Receivables, net	<u>\$ 53,705</u>
Liabilities	
Payables to other governments	<u>\$ 53,705</u>

See notes to financial statements

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

1. Summary of Significant Accounting Policies

The accounting policies of the Township conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Township.

Reporting Entity

The Township was organized in 1915 and covers an area of approximately 20 square miles. The Township operates under an elected Board of Trustees (7 members) and provides services to its more than 18,500 residents in many areas including law enforcement, fire protection, community enrichment and development and human services. In accordance with the provisions of Governmental Accounting Standards Board Statement No. 14, certain other governmental organizations are not considered to be part of the Township entity for financial reporting purposes.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

1. Summary of Significant Accounting Policies (Continued)

Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the fiscal period. Property taxes, state shared revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be available only when cash is received by the government.

Property taxes for the Township are levied December 1st and are payable on February 15th. The Township bills and collects its own property taxes and also taxes for the county and local school districts. Property tax revenues are recognized when levied to the extent that they result in current receivables. Delinquent taxes are received by Ottawa County. Collection of all taxes are accounted for in the agency fund.

The Township's property tax is levied on each December 1st on the taxable valuation of property (as defined by State statutes) located in Park Township as of the preceding December 31st. The Township's 2007 ad valorem tax is levied and collectible on December 1, 2007, and it is the Township's policy to recognize revenue from the current tax levy in the current year ended March 31, 2008.

The 2007 taxable valuation of the Township totaled \$869,454,751, on which ad valorem taxes levied consisted of .9435 mills for the Township's operating purposes, .7050 mills for police services, .4500 mills for parks, and .5480 mills for bike paths.

These taxes raised \$825,796 for operating, \$614,685 for police services, \$392,258 for parks, and \$477,704 for bike paths. These amounts are recognized in the General Fund financial statement as tax revenue.

The Township reports the following major governmental funds:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Sewer Distribution Fund accounts for financial resources to be used for the acquisition or construction of major sewer capital facilities which are not financed by the proprietary fund.

The Township Improvements Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by the proprietary fund.

The Township reports the following major proprietary fund:

The Water Fund accounts for the activities of the water distribution system.

Private-sector standards of accounting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with the standards of the Governmental Accounting Standards Board. The Township has elected not to follow private-sector standards issued after November 30, 1989 for its business-type activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

1. Summary of Significant Accounting Policies (Continued)

Amounts reported as program revenue include: (1) charges to customers or applicants for goods, services or privileges provided; (2) operating grants and contributions; and (3) capital grants and conditions, including special assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenue includes all taxes.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of our proprietary funds relate to charges to customers for services. The Water Fund also recognizes the portion of connection fees intended to recover current costs as operating revenue. Investment income is recognized as nonoperating revenue. Operating expenses for proprietary funds include operating expenses, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

Assets, Liabilities, and Net Assets or Equity

Bank Deposits – Cash is considered to be cash on hand, demand deposits, and certificates of deposit.

Receivables and Payables – In general, outstanding balances between funds are reported as "due to/from other funds." Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown as net of allowance for uncollectible amounts. Property taxes are levied on each December 1st on the taxable valuation of property as of the preceding December 31st. Taxes are considered delinquent on March 1st of the following year, at which time penalties and interest are assessed.

Special Assessments Receivable – The governmental activities and business-type activities have special assessments recorded in the amount of \$567,617. Of the special assessment balance, \$356,558 is deferred because it is unavailable in the fund financial statements.

Prepaid Items – Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets – Capital assets, which include property, plant, equipment and infrastructure assets (e.g., water and sewer lines, sidewalks, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

1. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment is depreciated using the straight-line method over the following useful lives:

Building	40 to 60 years
Building improvements	15 to 30 years
Land improvements	15 to 30 years
Water and sewer lines	50 to 75 years
Fire trucks	25 years
Vehicles	5 to 10 years
Office equipment	7 to 10 years
Machinery and equipment	7 to 10 years

Compensated Absences (Vacation and Sick Leave) – Full-time, non-elected, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Township. Sick leave accrues to full-time, non-elected, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. All vacation pay is accrued when incurred in the government-wide statement at year-end.

Deferred Revenue – Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period or for resources that have been received, but not yet earned.

Fund Equity – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

	General Fund
Reserved	
Bicycle paths	\$1,120,860
Parks	292,049
Public safety	<u>777,661</u>
	<u>\$2,190,570</u>

Restricted Net Assets – The Township's policy is to first apply restricted resources when an expense is incurred for which restricted and unrestricted net assets are available.

Accounting Estimates – The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Stewardship, Compliance and Accountability

Budgetary Information – Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

The budget document presents information by fund, function, department and line items. The legal level of budgetary control adopted by the Township is the department level.

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

2. Stewardship, Compliance and Accountability (Continued)

Excess of Expenditures Over Appropriations in Budgeted Funds – During the year, the Township of Park incurred expenditures in certain budgeted funds which were in excess of the amounts appropriated, as follows:

Budget Item	Budget Appropriation	Actual Expenditure	Variance (Unfavorable)
General Fund			
General government:			
Legal fees	\$ 112,000	\$ 121,207	\$ (9,207)
Capital outlay	5,730	37,232	(31,502)
Public works:			
Engineering	4,000	5,314	(1,314)
Recreation:			
Capital outlay	438,000	440,827	(2,827)

3. Deposits and Investments

Michigan Compiled Laws, Section 129.91, authorizes the Township to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations which have an office in Michigan. The local unit is allowed to invest in bonds, securities and other direct obligations of the United States or any agency or instrumentality of the United States; United States government or federal agency obligations; repurchase agreements; bankers' acceptance of United States banks; commercial paper rated within the two highest classifications which mature not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivision which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan.

The Township of Park Board has designated six banks for the deposit of Township funds. The Board adopted a deposit and investment policy in accordance with Public Act 196 of 1997.

At year-end, the Township's deposits and investments were reported in the basic financial statements in the following categories:

	Governmental Activities	Business-type Activities	Total Primary Government
Cash	\$ 7,142,727	\$ 252,216	\$ 7,394,943
Investments	<u>902,253</u>	<u>-</u>	<u>902,253</u>
Total	<u>\$ 8,044,980</u>	<u>\$ 252,216</u>	<u>\$ 8,297,196</u>

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

3. Deposits and Investments (Continued)

The breakdown between deposits and investments is as follows:

	Primary Government
Bank deposits (checking and savings accounts, certificates of deposit)	\$7,394,943
Investments in securities, mutual funds and similar vehicles	<u>902,253</u>
Total	<u>\$8,297,196</u>

The bank balance of the primary government's deposits is \$7,407,297, of which \$600,000 is covered by federal depository insurance and \$6,807,297 is uninsured and uncollateralized.

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the Township or its agent in the Township's name;
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Township's name; and
3. Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the Township's name.

At year-end, the Township's investment balances were categorized as follows:

	Category			Reported Amount (Fair Value)
	1	2	3	
Primary government:				
U.S. Government Securities	<u>\$ 902,253</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 902,253</u>

4. Receivables

Receivables as of year-end for the Township's individual major governmental funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Sewer Distribution	Township Improvements	Total
Taxes receivable	\$ 1,735	\$ -	\$ -	\$ 1,735
Special assessments	2,603	353,955	-	356,558
Accounts	15,476	-	-	15,476
Intergovernmental	193,129	-	-	193,129
Interest and other	<u>138,380</u>	<u>457,526</u>	<u>2,692</u>	<u>598,598</u>
Gross receivables	351,323	811,481	2,692	1,165,496
Allowance for uncollectibles	<u>(-)</u>	<u>(-)</u>	<u>(-)</u>	<u>(-)</u>
Net receivables	<u>\$ 351,323</u>	<u>\$ 811,481</u>	<u>\$ 2,692</u>	<u>\$1,165,496</u>

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

4. Receivables (Continued)

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year, the various components of deferred revenue are as follows:

	Unavailable	Unearned	Total
Special assessments	\$ 356,558	\$ -	\$ 356,558
Recreation fees	-	15,134	15,134
Total	<u>\$ 356,558</u>	<u>\$ 15,134</u>	<u>\$ 371,692</u>

5. Capital Assets

Capital asset activity of the primary government for the current year was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$2,229,554	\$ -	\$ -	\$ 2,229,554
Construction in progress	-	147,399	-	147,399
Subtotal	<u>2,229,554</u>	<u>147,399</u>	<u>-</u>	<u>2,376,953</u>
Capital assets being depreciated:				
Buildings	2,460,780	267,837	-	2,728,617
Improvements other than buildings	3,482,089	294,674	-	3,776,763
Machinery and equipment	1,805,834	551,475	60,824	2,296,485
Infrastructure	<u>1,166,358</u>	<u>42,608</u>	<u>-</u>	<u>1,208,966</u>
Subtotal	<u>8,915,061</u>	<u>1,156,594</u>	<u>60,824</u>	<u>10,010,831</u>
Less accumulated depreciation for:				
Buildings	572,032	59,103	-	631,135
Improvements other than buildings	1,443,063	211,942	-	1,655,005
Machinery and equipment	829,449	85,980	60,824	854,605
Infrastructure	<u>49,760</u>	<u>29,781</u>	<u>-</u>	<u>79,541</u>
Subtotal	<u>2,894,304</u>	<u>386,806</u>	<u>60,824</u>	<u>3,220,286</u>
Net capital assets being depreciated	<u>6,020,757</u>	<u>769,788</u>	<u>-</u>	<u>6,790,545</u>
Total capital assets – net of depreciation	<u>\$8,250,311</u>	<u>\$ 917,187</u>	<u>\$ -</u>	<u>\$ 9,167,498</u>

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

5. Capital Assets (Continued)

Business-type Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Infrastructure	<u>\$9,906,942</u>	<u>\$ 164,933</u>	<u>\$ -</u>	<u>\$10,071,875</u>
Less accumulated depreciation for:				
Infrastructure	<u>3,646,748</u>	<u>248,705</u>	<u>-</u>	<u>3,895,453</u>
Total capital assets – net of depreciation	<u>\$6,260,194</u>	<u>\$ (83,772)</u>	<u>\$ -</u>	<u>\$ 6,176,422</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
General government	\$ 24,935
Public safety	96,532
Public works	36,167
Parks and recreation	<u>229,172</u>
Total governmental activities	<u>\$ 386,806</u>
Business-type activities:	
Water	<u>\$ 248,705</u>

Construction Commitments	Spent To Date	Remaining Commitment
Wendt Park Project	<u>\$ 115,184</u>	<u>\$ 147,399</u>

6. Interfund Transfers

The composition of interfund balances as of March 31, 2008 are as follows:

Receivable Fund		Payable Fund	
Major funds:			
General	\$ 94,966	Agency	\$ 104,012
Sewer Distribution	457,526	Proprietary	<u>451,051</u>
Proprietary	<u>2,571</u>		
	<u>\$ 555,063</u>		<u>\$ 555,063</u>

Interfund transfers in and out as of March 31, 2008 are as follows:

	Operating Transfer In	Operating Transfer Out
Major funds:		
General	\$ 68,900	\$ -
Sewer Distribution	<u>-</u>	<u>(68,900)</u>
Total	<u>\$ 68,900</u>	<u>\$ (68,900)</u>

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

7. Leases

The Township leases certain real estate adjacent to Pine Creek from Beechwood Reformed Church for the construction, maintenance and public use of a nature trail and walkway. The term of the lease is for 30 years beginning in 2000. The lease required only a single payment of \$10,000 at inception with no additional payments required during the 30 year lease period. Upon expiration of the initial term, absent the Church and Township negotiating and reaching a separate agreement regarding the property, the lease shall renew on a year-to-year basis for \$2,500 per year. After the 30 year term has expired, either party may terminate the arrangement with six months written notice.

The Township leases certain property to the Ottawa County Fair Association on a 15-year lease commencing April 1, 2006 with rent at \$1,800 per year. Effective April 1, 2008, rent increased to \$2,300 per year. The Township also leases its airport facilities to Ottawa Aviation, Inc. on a 30-year lease renewing January 1, 2008 and requiring annual payments of \$3,000 per year. Rental income under these arrangements was \$3,600 for the year ended March 31, 2008.

Future minimum annual rentals to be received are as follows:

2009	\$ 5,300
2010	5,300
2011	5,300
2012	5,300
2013	5,300

The Township leases certain climate controlled storage space from T-R-T Company adjacent to 8th Street. The space consists of three small offices to store township election equipment. The term of the lease is for three years beginning in January 2008 requiring monthly payments of \$300.

Future minimum annual rentals to be paid are as follows:

2009	\$ 3,600
2010	3,600

8. Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance to cover all risks of losses. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

9. Pension Plan

The Township sponsors a money purchase retirement plan for all full-time employees who have attained the age of 20 ½ and have completed 1 ½ years of service. This plan is funded by current payments to a life insurance trust. The retirement plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Such benefits depend solely on the amount contributed to the participant's account and the returns earned on investment of those contributions. Contributions to the plan are made by the Township based upon 13.4% of each employee's annual earnings. Total covered payroll for the Township's year ending March 31, 2008 was \$537,669 and total payroll for the Township's year ending March 31, 2008 was \$970,502. Employees are vested immediately upon entering the plan. Employer contributions for the year ended March 31, 2008 totaled \$72,049.

The Township also offers its employees a deferred compensation plan. The plan is available to all Township employees and permits them to defer a portion of their current salary until future years. Deferred compensation is not available to the employees until termination, retirement, death or financial hardship. Employee contributions for the year ended March 31, 2008 totaled \$6,630.

10. Post Employment Health Care Benefits

The Township provides post employment health care benefits to retired employees. Eligible recipients include all full-time elected and non-elected employees of the Township with a minimum of 10 years of service and a minimum age of 62, or have a combined age and years of service totaling 80 and a minimum age of 55. Retirement health insurance will not be available to an employee not employed by the Township until at least age 55 or having health insurance available through another employer. The Township's funded portion will be calculated at 3% of their applicable premium per year of service for primary coverage until eligible for Medicare at which time the Township funded portion will be calculated at 3% of supplemental coverage premium per year of service. These benefits were established by action of the Township Board and will be accounted for and financed on a pay-as-you-go basis as the Township makes monthly premium payments to its regular health insurance provider. As of March 31, 2008, four retirees received such post employment benefits. During the fiscal year ended March 31, 2008, expenditures of \$17,035 were recognized for post employment health care benefits, net of \$20,881 contributed by the retirees.

11. Building Department

Revenues

Inspections fees	\$ <u>120,347</u>
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Expenditures

Wages and contract labor	114,589
Social security and fringe benefits	7,560
Office expenses	9,662
Other expenses	<u>37,867</u>

Total expenditures	<u>169,678</u>
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Deficiency of revenues under expenditures	(49,331)
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Cumulative deficiency of revenues under expenditures March 31, 2007	<u>(390,320)</u>
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Cumulative deficiency of revenues under expenditures March 31, 2008	<u>\$ (439,651)</u>
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**TOWNSHIP OF PARK
OTTAWA COUNTY, MICHIGAN
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2008**

12. Commitments and Contingencies

The Township of Park has entered into two contracts providing for the acquisition, construction and financing of improvements to the Wyoming Water Supply System. The full faith and credit of the Township of Park have been pledged in the making of the payments to Ottawa County, issuer of the bonds. The 1995 bonds require amounts equal to 2.35%, and the 2002 bonds require amounts equal to 4.16% of the principal amount of the bonds actually issued and the interest thereon. The total principal outstanding on the 1995 bonds was \$2,065,000 at March 31, 2008. The total principal outstanding on the 2002 bonds was \$6,160,000 at March 31, 2008.

The Township of Park has entered into a contract providing for the acquisition, construction and financing of improvements to the City of Holland Waste Water Treatment Plant. The full faith and credit of the Township of Park have been pledged in the contract for the making of payments to Ottawa County, the issuer of the bonds, in amounts sufficient to pay 7.49% of the principal amount of the bonds actually issued and the interest thereon. The total principal outstanding on the 1994 bonds was \$5,925,000 at March 31, 2008.

The Township of Park has entered into a contract providing for the acquisition, construction and financing of improvements to the Wyoming Water Supply System. The full faith and credit of the Township of Park have been pledged in the contract for making payments to Ottawa County, the issuer of the bonds, in amounts equal to 6.60% of the principal amount of the bonds actually issued and the interest thereon. The total principal amount of the bonds issued by Ottawa County was \$38,145,000 at March 31, 2008.

Required Supplementary Information

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED MARCH 31, 2008**

	Original Budget	Final Amended Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Taxes and special assessments	\$ 2,317,800	\$ 2,317,800	\$ 2,448,768	\$ 130,968
Licenses and permits	160,200	160,200	120,614	(39,586)
State shared revenues	1,244,400	1,244,400	1,220,949	(23,451)
Charges for services	40,500	40,500	38,996	(1,504)
Recreation	108,500	108,500	99,108	(9,392)
Interest	302,400	302,400	374,193	71,793
Reimbursements	12,500	12,500	12,575	75
Donations	-	-	109,707	109,707
Miscellaneous	99,700	98,700	77,603	(21,097)
Total revenues	4,286,000	4,285,000	4,502,513	217,513
Expenditures				
General government:				
Board of trustees	14,800	15,000	14,960	40
Supervisor	71,976	71,976	71,976	-
Elections	47,000	47,000	33,604	13,396
Auditing fees	21,500	21,500	16,556	4,944
Assessor	140,600	140,600	130,390	10,210
Legal fees	102,000	112,000	121,207	(9,207)
Clerk	11,664	11,664	11,664	-
Board of review	3,000	3,000	1,595	1,405
Community services	139,000	129,800	123,430	6,370
Treasurer	62,496	62,496	62,496	-
Township office and computers	272,500	275,000	269,270	5,730
Township property	133,900	189,000	155,433	33,567
Employee benefits	474,000	474,000	373,769	100,231
Contingencies	80,284	38,284	-	38,284
Insurance	81,530	81,530	53,596	27,934
Cemetery	39,600	39,600	32,196	7,404
Total general government	1,695,850	1,712,450	1,472,142	240,308

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED MARCH 31, 2008**

	Original Budget	Final Amended Budget	Actual	Variance Favorable (Unfavorable)
Expenditures (Continued)				
Public safety:				
Police protection	567,000	567,000	543,526	23,474
Liquor inspections	1,800	1,800	1,800	-
Fire department	358,500	316,500	311,727	4,773
Building, plumbing, electrical inspections	206,800	166,800	148,073	18,727
Planning and zoning	66,150	66,150	57,798	8,352
Total public safety	1,200,250	1,118,250	1,062,924	55,326
Public works:				
Streets	253,000	333,000	330,880	2,120
Drains at large	14,200	22,200	21,817	383
Engineering	4,000	4,000	5,314	(1,314)
Street lights	102,000	113,000	112,969	31
Total public works	373,200	472,200	470,980	1,220
Recreation:				
Recreation department	125,000	128,400	126,771	1,629
Parks	345,100	57,100	56,727	373
Tot Time	20,500	20,500	18,037	2,463
Bicycle paths	237,000	145,270	82,429	62,841
Total recreation	727,600	351,270	283,964	67,306
Capital outlay:				
General government	-	5,730	37,232	(31,502)
Public safety	(3,000)	39,000	38,840	160
Recreation:				
Parks	-	438,000	440,827	(2,827)
Bicycle paths	168,788	254,788	254,435	353
Total capital outlay	165,788	737,518	771,334	(33,816)
Total expenditures	4,162,688	4,391,688	4,061,344	330,344

**PARK TOWNSHIP
OTTAWA COUNTY, MICHIGAN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND (CONTINUED)
YEAR ENDED MARCH 31, 2008**

	Original Budget	Final Amended Budget	Actual	Variance Favorable (Unfavorable)
Excess (deficiency) of revenues over (under) expenditures	123,312	(106,688)	441,169	547,857
Other Financing Sources				
Transfers in	<u>68,900</u>	<u>68,900</u>	<u>68,900</u>	<u>-</u>
Net change in fund balance	192,212	(37,788)	510,069	547,857
Fund balance - April 1	<u>5,598,471</u>	<u>5,598,471</u>	<u>5,598,471</u>	<u>-</u>
Fund balance - March 31	<u>\$ 5,790,683</u>	<u>\$ 5,560,683</u>	<u>\$ 6,108,540</u>	<u>\$ 547,857</u>

August 27, 2008

To the Board of Trustees and Supervisor
of the Township of Park

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Park as of and for the year ended March 31, 2008, in accordance with auditing standards generally accepted in the United States of America, we considered the Township of Park's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the governmental unit's internal control. Accordingly, we do not express an opinion on the effectiveness of the government unit's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. In addition, because of the inherent limitations in internal control, including the possibility of management override of controls, misstatements due to error or fraud may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and other deficiencies that we consider to be material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the following deficiencies to be significant deficiencies in internal control.

1. The entity does not have the capability to adjust the balances in the governmental funds to the modified accrual basis of accounting.
2. The entity does not have the capability to adjust the balances of the governmental and business-type activities to the full accrual basis of accounting.
3. The entity does not have the capability to prepare the basic financial statements, the notes to the basic financial statements, and the required supplementary information as required by generally accepted accounting principles.

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A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. We believe the following deficiencies constitute material weaknesses:

Items numbered 1, 2, and 3 as listed above.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the entity, and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

FERRIS, BUSSCHER & ZWIERS, P.C.



James L. Zwiers, C.P.A., M.B.A.

JLZmw